

PREVAILED

Roll Call No. \_\_\_\_\_

FAILED

Ayes \_\_\_\_\_

WITHDRAWN

Noes \_\_\_\_\_

RULED OUT OF ORDER

## HOUSE MOTION \_\_\_\_\_

MR. SPEAKER:

I move that House Bill 1730 be amended to read as follows:

- 1 Page 1, line 3, delete "Except to the extent" and insert "**For**
- 2 **purposes of this section:**
- 3 **(1) 50 IAC 4.2 refers to 50 IAC 4.2 as in effect January 1,**
- 4 **2005; and**
- 5 **(2) 50 IAC 4.3 refers to 50 IAC 4.3 as in effect December 31,**
- 6 **2002.**
- 7 **(b) Except:**
- 8 **(1) as provided in subsection (c); and**
- 9 **(2) to the extent that it conflicts with a statute;**
- 10 **50 IAC 4.3 is reinstated as a rule."**
- 11 Page 1, delete lines 4 through 5.
- 12 Page 1, line 6, delete "(b) Tangible" and insert "**(c) Except as**
- 13 **provided in subsection (d) and notwithstanding section 22 of this**
- 14 **chapter, tangible"**.
- 15 Page 1, line 7, delete "(as in effect December 31, 2002)".
- 16 Page 1, line 9, delete "IAC 4.3 (as in effect December 31, 2002)."
- 17 and insert "**IAC 4.3."**
- 18 Page 1, between lines 9 and 10, begin a new paragraph and insert:
- 19 **"(d) For assessment dates in 2006 and thereafter:**
- 20 **(1) construction in process (as defined in 50 IAC 4.2-6-1) is**
- 21 **subject to assessment under 50 IAC 4.2-6-1; and**
- 22 **(2) special tools (as defined in 50 IAC 4.2-6-2) are subject to**
- 23 **assessment under 50 IAC 4.2-6-2."**
- 24 Page 1, line 10, delete "(c)" and insert "(e)".
- 25 Page 1, line 11, delete "(as in effect December 31, 2002)".

- 1 Page 1, line 13, delete "(d)" and insert "(f)".  
 2 Page 1, line 17, delete "(e)" and insert "(g)".  
 3 Page 1, line 17, delete "(as in effect January 1, 2005)".  
 4 Page 2, between lines 2 and 3, begin a new paragraph and insert:  
 5 "SECTION 2. IC 6-1.1-3-23 IS AMENDED TO READ AS  
 6 FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 23. (a) For  
 7 purposes of this section:  
 8 (1) "adjusted cost" refers to the adjusted cost established in ~~50 IAC 4.2-4-4~~ **50 IAC 4.3-4-5** (as in effect on January 1, 2003);  
 9 **reinstated by section 22.5 of this chapter**;  
 10 (2) "depreciable personal property" has the meaning set forth in ~~50 IAC 4.2-4-1~~ **50 IAC 4.3-4-1** (as in effect on January 1, 2003);  
 11 **reinstated by section 22.5 of this chapter**;  
 12 (3) "integrated steel mill" means a person that produces steel by  
 13 processing iron ore and other raw materials in a blast furnace;  
 14 (4) "oil refinery/petrochemical company" means a person that  
 15 produces a variety of petroleum products by processing an annual  
 16 average of at least one hundred thousand (100,000) barrels of  
 17 crude oil per day;  
 18 (5) "permanently retired depreciable personal property" has the  
 19 meaning set forth in ~~50 IAC 4.2-4-3~~ **50 IAC 4.3-4-3** (as in effect  
 20 on January 1, 2003); **reinstated by section 22.5 of this chapter**;  
 21 (6) "pool" refers to a pool established in ~~50 IAC 4.2-4-5(a)~~ **50**  
 22 **IAC 4.3-4-6(a)** (as in effect on January 1, 2003); **reinstated by**  
 23 **section 22.5 of this chapter**;  
 24 (7) "special integrated steel mill or oil refinery/petrochemical  
 25 equipment" means depreciable personal property, other than  
 26 special tools and permanently retired depreciable personal  
 27 property:  
 28 (A) that:  
 29 (i) is owned, leased, or used by an integrated steel mill or an  
 30 entity that is at least fifty percent (50%) owned by an  
 31 affiliate of an integrated steel mill; and  
 32 (ii) falls within Asset Class 33.4 as set forth in IRS Rev.  
 33 Proc. 87-56, 1987-2, C.B. 647; or  
 34 (B) that:  
 35 (i) is owned, leased, or used as an integrated part of an oil  
 36 refinery/petrochemical company or its affiliate; and  
 37 (ii) falls within Asset Class 13.3 or 28.0 as set forth in IRS  
 38 Rev. Proc. 87-56, 1987-2, C.B. 647;  
 39 (8) "special tools" has the meaning set forth in ~~50 IAC 4.2-6-2~~ **50**  
 40 **IAC 4.3-6-4** (as in effect on January 1, 2003); **reinstated by**  
 41 **section 22.5 of this chapter**; and  
 42 (9) "year of acquisition" refers to the year of acquisition  
 43 determined under ~~50 IAC 4.2-4-6~~ **50 IAC 4.3-4-7** (as in effect on  
 44 January 1, 2003); **reinstated by section 22.5 of this chapter**.  
 45 (b) Notwithstanding ~~50 IAC 4.2-4-4~~, ~~50 IAC 4.2-4-6~~, and ~~50~~

~~IAC 4.2-4-7, 50 IAC 4.3-4-5, 50 IAC 4.3-4-7, and 50 IAC 4.3-4-8~~, a taxpayer may elect to calculate the true tax value of the taxpayer's special integrated steel mill or oil refinery/petrochemical equipment by multiplying the adjusted cost of that equipment by the percentage set forth in the following table:

Year of Acquisition	Percentage
1	40%
2	56%
3	42%
4	32%
5	24%
6	18%
7	15%
8 and older	10%

(c) The department of local government finance shall designate the table under subsection (b) as "Pool No. 5" on the business personal property tax return.

(d) The percentage factors in the table under subsection (b) automatically reflect all adjustments for depreciation and obsolescence, including abnormal obsolescence, for special integrated steel mill or oil refinery/petrochemical equipment. The equipment is entitled to all exemptions, credits, and deductions for which it qualifies.

~~(e) The minimum valuation limitations under 50 IAC 4.2-4-9 do not apply to special integrated steel mill or oil refinery/petrochemical equipment valued under this section. The value of the equipment is not included in the calculation of that minimum valuation limitation for the taxpayer's other assessable depreciable personal property in the taxing district.~~

~~(f)~~ (e) An election to value special integrated steel mill or oil refinery/petrochemical equipment under this section:

- (1) must be made by reporting the equipment under this section on a business personal property tax return;
- (2) applies to all of the taxpayer's special integrated steel mill or oil refinery/petrochemical equipment located in the state (whether owned or leased, or used as an integrated part of the equipment); and
- (3) is binding on the taxpayer for the assessment date for which the election is made.

The department of local government finance shall prescribe the forms to make the election beginning with the March 1, 2003, assessment date. Any special integrated steel mill or oil refinery/petrochemical equipment acquired by a taxpayer that has made an election under this section is valued under this section.

~~(g)~~ (f) If fifty percent (50%) or more of the adjusted cost of a taxpayer's property that would, notwithstanding this section, be reported in a pool other than Pool No. 5 is attributable to special integrated steel mill or oil refinery/petrochemical equipment, the

1 taxpayer may elect to calculate the true tax value of all of that property  
2 as special integrated steel mill or oil refinery/petrochemical equipment.  
3 The true tax value of property for which an election is made under this  
4 subsection is calculated under subsections (b) through ~~(f)~~: **(e)**."

5 Page 2, line 24, delete "property is installed as described in 50  
6 IAC 10-1-2," and insert "**property:**

7 **(1) has been completely assembled;**

8 **(2) is completely functional for the purpose for which it was**  
9 **acquired; and**

10 **(3) is placed in service."**

11 Page 2, delete line 25.

12 Renumber all SECTIONS consecutively.

(Reference is to HB 1730 as printed February 25, 2005.)

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Representative Espich